

## INSTRUCTIONS

### Reporting FY 2000 Funding and User Counts for Operating Units

THIS DOCUMENT WILL BE REVISED TO REFLECT MINOR REVISIONS APPROVED BY THE LNF WG NOVEMBER 29, 2000

#### ***Purpose:***

User count and financial data are needed for Operating Units within each Area to compute the LNF percentages for FY 2000. For each **OPERATING UNIT** (see operating unit OU definition at the end of instructions) within the Area please report the following data:

- **BY 1998 USER COUNT (will later substitute 1999 counts if available)**
- **FY 2000 Funds Allowances to Operating Units**

A Microsoft Excel workbook is attached for reporting. Description and instructions for completing the workbook follow below.

Area finance/budget and program statistics office staff will contribute to completing the workbook. **The completed workbook is due by COB Wednesday, December 20, 2000.** Please email the completed workbook to Cliff Wiggins at [cwiggins@hqe.ihs.gov](mailto:cwiggins@hqe.ihs.gov). If you have questions, email Cliff or phone on (301) 443-1793.

#### ***Completing the Workbook***

The Excel Workbook contains several sheets (see tabs at bottom of the screen). **Complete Sheets 1 and 2 only.**

- 1 Identify the Operating Units and User Counts
- 2 Report the funding allowances to each Operating Unit

The other 2 sheets in the workbook contain source data or summarize area inputs. Do not alter these sheets.

- 3 Area Summary (summarizes area data you put in sheets 1 and 2)
- National Allowances Source Data (official 2000 allowances by IHS Area)

#### ***INSTRUCTIONS WORKSHEET #1: Operating Units (OUs) and User Count***

**NOTE: CELLS THAT YOU UPDATE ARE WHITE. DO NOT ALTER CELLS OF ANY OTHER COLOR.**

Complete the list of Operating Units within the Area. Typically OUs are service units, but you may revise the list according to the Operating Unit definitions (see

## Instructions for Reporting User Counts and FY 2000 Funding with Areas

later in these instructions). Use of note in column 3 is optional to explain anything of note.

For each operating unit, also report the user count in column 4. **Do not exceed the total Area User count.** Use the official 1998 user count. We may substitute revised 2000 user counts if available in time.

### ***INSTRUCTIONS FOR WORKSHEET #2: OU ALLOWANCES***

The purpose of worksheet #2 is to report FY 2000 funding allowances for all OUs (operating units) within the Area. If Area financial accounts relate directly to OUs as defined, this step will be easy. If not, you may need to reconcile various budget/finance/contracting documents to come up with the appropriate allowances for each OU.

The total FY 2000 allowance to the Area is pre-filled in Column B of Worksheet #2 after you select the Area Name on Table 1 (pre-filling is done with a lookup in the national allowances source table). The total allowances within the Area to OUs, Area Office, Area-wide Program should match the Area allowance total shown in Column D.

Worksheet #2 displays budget activity items (e.g., H&C, Dental, etc.) as rows. The Columns will automatically display the names of the OUs listed in Worksheet #1. The task is to identify the amount of funding for each OU for each budget activity. Also identify allowances to the Area Office and to Area-wide Program Activities.

- Area Office means the traditional leadership, management, and administrative functions carried out by the Area Office.
- Area-wide activities benefit all Area OUs, but funding is not allocated to individual OU and is managed centrally.

Make the sum of allowances to OUs + Area Office + Area-Wide = the Area allowance for each budget activity. A portion of Worksheet #2 is shown below.

### ***% of \$ used for AI/AN NOT living in OU***

Once OU funding allowances are completed in Worksheet #2, there is one more fact that may be relevant. On row 40 at the bottom of the worksheet 2 is found the **% of \$ used for AI/AN NOT living in OU**. **The intent of this optional estimate is identify how much of the OU's funding goes to serve AI/AN who do not reside in the service area. The worksheet then moves an equivalent % of funds from the local \$ amount to the AREA-WIDE amount (i.e., \$ are counted for the area-wide user population, not exclusively for the OU).**

## **Instructions for Reporting User Counts and FY 2000 Funding with Areas**

Most OUs normally see a small percentage of patients from all over the US in any given year. This usually amounts to less than 5% and represents a low random use by AI/AN who come one-time (e.g., visiting the area, passing through, etc.). If this non-local workload is less than 5%, the amount can be ignored and the percentage left blank.

In a few cases, Medical Centers especially, a substantial percentage of resources are used for persons who do not reside in the local area. Inpatient referrals to medical centers from other service units are the best example. In such cases, estimate the percent of total OU funding that goes to serve referrals or persons from outside the OU.

Put the % estimate in row 40 for each corresponding OU for which outside workload is greater than 5%. Base the % estimate on actual data. Talk to the service unit director to get a professional judgment if necessary.

Note, if your Area Office conducts an extensive analysis to account for crossover utilization and adjusts OU funding amounts directly in the this report, then row 40 is left blank (or zero). This rather complicated "source-destination" analysis will be unnecessary in most Areas where cross-over utilization is minimal. If it is done, you must submit the supporting tables with this report and acknowledge that the reported amounts are not actual allowances, but rather estimates of resources after accounting for cross-over utilization.

### ***OPERATING UNIT – definition***

A key part of separating users and funding within an Area is determining which sub-units are appropriate (service unit, tribe, hospital, clinic, facility, location, contract, compact, consortium, accounting location, etc.). Because the LNF model projects health care costs by multiplying price factors for individuals, the best way to sub-group them is by the delivery system they actually use. We call these units operating units.

The term **operating unit** refers to an Indian health delivery system unit through which eligible Indians access personal health care services. The term means sub-units of IHS Areas as actually operated, financed, and managed -- not some official and possibly artificial designation. Operating units are usually synonymous with **service unit**, but in some places, the official service unit status may not be updated to reflect how the current delivery system operates. The LNF Workgroup also uses the term **OU** to refer to an operating unit as either IHS, tribal, or urban. The key characteristics of an operating unit are:

- An operating unit is independently managed and funded separately from other IHS/Tribal delivery systems.
- An operating unit is located in and serves a defined geographic service area. The operating unit is the primary location in which Indian users in that area access health care services.
- An operating unit provides a broad range medical/clinical services in its locations with its employees, but may arrange, refer, or contract for specific services (e.g., hospital care, advanced care, dental, diabetes care, dialysis, etc.) -- a contract for a single type of health care service (e.g., eye care, etc.) is not considered a separate operating unit.
- An IHS/Tribal hospital together with its satellite ambulatory locations is considered a single operating unit.
- An ambulatory facility/location is either a:
  - Separate operating unit --- if it is separately funded and autonomously managed, has no operational ties to other Indian health facilities, and is the primary access location for the geographic service area, or
  - Part of a consolidated operating unit --- if it is one of several service locations within the geographic service area that have operational, funding, or managerial ties (e.g., consortia).
- An operating unit can be managed by IHS, or under contract/compact with a tribe or consortia of tribes, or by an Indian organization.
- A single operating unit can serve multiple small tribes/reservations -- a single tribe is not considered a separate operating unit unless the delivery system meets the definitions stated here.
- Several operating units may serve very large tribes spread over huge geographic areas (each user from the tribe is uniquely assigned to only one operating unit, however).